

Meeting Copy

AGENDA

STATE BUILDING COMMISSION

EXECUTIVE SUBCOMMITTEE

EXECUTIVE CONFERENCE ROOM

GROUND FLOOR, STATE CAPITOL

DECEMBER 21, 2009

10:30 A.M.

CONSENT AGENDA

Review of a request for APPROVAL of the following REAL PROPERTY TRANSACTIONS, which have been reviewed and recommended for approval by Sub-Committee staff (*lead sheets on pages 9-23*):

- A. Agency: **Tennessee Board of Regents – Washington County**
Transaction: Lease agreement
Provision: Waiver of advertisement
- B. Agency: **Department of Human Services – Williamson County**
Transaction: Lease agreement
- C. Agency: **Department of Revenue – DuPage County**
Transaction: Lease agreement
- D. Agency: **Department of Revenue – Davidson County**
Transaction: Lease agreement
- E. Agency: **Department of Agriculture – Rutherford County**
Transaction: Disposal by lease
Provision: Waiver of advertisement & appraisals
- F. Agency: **Department of Agriculture – Coffee County**
Transaction: Disposal in fee
Provision: Waiver of advertisement & appraisals
- G. Agency: **Department of Corrections – Shelby County**
Transaction: Disposal by easement
Provision: Waiver of advertisement & appraisals
- H. Agency: **Department of Environment & Conservation – Cumberland County**
Transaction: Disposal by lease
Provision: Waiver of advertisement & appraisals
- I. Agency: **Department of Environment & Conservation – Cheatham County**
Transaction: Acquisition in fee
Provision: Waiver of appraisals
- J. Agency: **Tennessee Wildlife Resources Agency – Sullivan County**
Transaction: Acquisition in fee
- K. Agency: **Tennessee Wildlife Resources Agency – Scott County**
Transaction: Disposal by easement
Provision: Waiver of advertisement & appraisals

- L. Agency: **Tennessee Wildlife Resources Agency – Anderson County**
Transaction: Disposal by easement
Provision: Waiver of advertisement & appraisals
- M. Agency: **Tennessee Wildlife Resources Agency – Anderson County**
Transaction: Disposal by easement
Provision: Waiver of advertisement & appraisals
- N. Agency: **Tennessee Wildlife Resources Agency – Anderson County**
Transaction: Disposal by easement
Provision: Waiver of advertisement & appraisals
- O Agency: **University of Tennessee – Hamilton County**
Transaction: Demolition – Former Bryan Funeral Home

UNIVERSITY OF TENNESSEE

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: **Weakley County – 546 (house) & 548 (barns) Littrell Road (45+/- acres), Martin, TN – Trans. No. 09-12-900**

Purpose: To provide land and related facilities for the University of Tennessee at Martin Rodeo and Equine Science program

Term: January 1, 2010 thru December 31, 2020 (10 yrs.)

Proposed Amount: 45 +/- acres with Improvements
Annual Contract Rent: \$24,000.00 @ \$ 533.33 / ac
Total Annual Effective Cost: \$24,000.00 @ \$ 533.33 / ac

Current Amount: 45 +/- acres with Improvements
Annual Contract Rent: \$24,000.00 @ \$ 533.33 / ac
Total Annual Effective Cost: \$24,000.00 @ \$ 533.33 / ac

Type: New Lease - Negotiated

Lessor: University of Tennessee Foundation, Inc.

Comment: The proposed lease was negotiated by the University and consists of 45 acres, house, horse facility and indoor arena and related facilities. Additionally the property serves as a laboratory for students enrolled in the Equine Science courses.

SSC Report: 12-14-09. Bob King summarized the transaction. Alvin Payne stated that the University been using this facility since 1994. In 2020 the debt will be paid off. Staff referred to Subcommittee with recommendation.

POST CONVICTION DEFENDERS

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: **Davidson County – 530 Church Street, Nashville, TN – Trans. No. 07-09-902 (Lotspiech)**

Purpose: To provide office space for the county operations

Term: July 1, 2010 thru June 30, 2015 (5 yrs)

Proposed Amount: 8,970 Square Feet
Annual Contract Rent Inc. Utility &
Janitorial Cost: \$131,069.64 @\$14.61 / sf
Total Annual Effective Cost: \$131,069.64 @\$14.61 / sf

Current Amount: 5,082 Square Feet
Annual Contract Rent Incl. Utility &
Janitorial Cost: \$58,443.00 @\$11.50 / sf
Total Annual Effective Cost: \$58,443.00 @\$11.50 / sf

Type: New lease – Advertised – Received six (6) proposals from three (3) proposers. This one is the second to the lowest, the lowest proposer requested to be released from the lease agreement.

FRF Rate: \$18.00

Purchase Option: No

Lessor: Cornerstone Associates, LLC

Comment: The proposed lease provides 8,970 square foot of office space. Lessor shall make all tenant alterations at no additional cost to the state. Lessor is to furnish all utilities and janitorial services. No cancellation except for cause and/or lack of funding.

SSC Report: 12-14-09. Bob King summarized the transaction. Staff referred to Subcommittee with recommendation.

TENNESSEE WILDLIFE RESOURCES AGENCY

ANNUAL REPORT

- 1) Presentation of the 2009 Report on the **Sharecrop Program** managed by the Tennessee Wildlife Resources Agency, as **amended**.

In accordance with Item 7.05(B) of the SBC By-laws, Policy & Procedures, TWRA is required to provide an annual report of crop leases entered into for the previous year.

DEPARTMENT OF FINANCE AND ADMINISTRATION

SHELBY COUNTY FORENSIC CENTER, MEMPHIS, TENNESSEE

- 1) Review of a request for APPROVAL of the EARLY DESIGN PHASE of a project for **Shelby County Forensic Center** at Memphis, as presented by TRO / Jung Brannen.

Estimated Project Cost: **\$13,000,000.00**

Source of Funding:

06 G.O. Bonds-Capital Outlay \$ 5,000,000.00

07 G.O. Bonds-FRF \$ 8,000,000.00

SBC Project No. 400/000-01-2005

Following a discussion at the SBC meeting on 12/10/09 involving use of the bonds, the Commission referred the matter to the Subcommittee, with authority to act.

TENNESSEE STATE CAPITOL, NASHVILLE, TENNESSEE

- 1) STATUS REPORT and PRESENTATION of a project for **Mechanical and Electrical Upgrades** at the Tennessee State Capitol, Nashville, Tennessee.

Estimated Project Cost: **\$16,500,000.00**

Estimated Planning Cost: **\$ 2,700,000.00**

Source of Planning Funds: Facilities Revolving Fund (501.04)

SBC Project No. 529/005-01-2005

As requested by the Commission at their meeting held on 12/10/09, the Designers and Real Property Administration will give an update and presentation of the project.

STATE BUILDING COMMISSION

MINUTES OF EXECUTIVE SUBCOMMITTEE MEETING

- 1) READING and APPROVAL of the Minutes of the Executive Subcommittee meetings held on November 23, 2009.

DESIGNER SELECTIONS

- 1) Review of a request for APPROVAL of the DESIGNER SELECTIONS as recommended for the projects approved at the December 10 SBC meeting.

Consent Agenda Items

A.

TENNESSEE BOARD OF REGENTS

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: **Washington County – 204 West Fairview, Johnson City, TN – Trans. No. 09-12-901**

Purpose: To provide a clinic to be administered by ETSU College of Nursing to operate the Johnson City Downtown Clinic for the homeless.

Term: November 1, 2009 thru October 31, 2019 (10 yrs)

Proposed Amount: Homeless Clinic
Annual Contract Rent: \$1.00 per year
Total Annual Effective Cost: \$1.00 per year

Current Amount: Homeless Clinic
Annual Contract Rent: \$1.00 per year
Total Annual Effective Cost: \$1.00 per year

Type: New Lease

Lessor: Mountain State Health Alliance

Comment: The proposed lease has a 30 day cancellation clause. ETSU College of Nursing has received a grant from the Department of Health and Human Services Health Resources (HRSA) and Services Administration under the American Recovery and Reinvestment (ARRA) Act of 2009 in the amount of \$56,524 to renovate the Homeless Clinic.

SSC Report: 12-14-09. Bob King summarized the transaction. Staff referred to Subcommittee for consent agenda.

DEPARTMENT OF HUMAN SERVICES

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: **Williamson County – 203 Beasley Drive, Suite A, Franklin, TN – Trans. No. 09-06-920 (Smith)**

Purpose: To provide office space for the county operations

Term: July 1, 2010 thru June 30, 2020 (10 yrs)

Proposed Amount: 5,650 Square Feet

Annual Contract Rent:	\$66,148.00	@\$11.71 / sf
Est. Annual Utility Cost:	\$ 9,887.50	@\$ 1.75 / sf
Est. Annual Janitorial Cost:	<u>\$ 6,215.00</u>	<u>@\$ 1.10 / sf</u>
Total Annual Effective Cost:	\$82,250.50	@\$14.56 / sf

Current Amount: 5,650 Square Feet

Annual Contract Rent :	\$43,500.00	@\$ 7.70 / sf
Est. Annual Utility Cost:	\$ 7,910.00	@\$ 1.40 / sf
Est. Annual Janitorial Cost:	<u>\$ 6,215.00</u>	<u>@\$ 1.10 / sf</u>
Total Annual Effective Cost:	\$57,625.00	@\$10.20 / sf

Type: New Lease – Advertised – received three (3) proposals from the current lessor

FRF Rate: \$18.00

Lessor: Charles & Carol Raines, current lessor

Comment: The proposed lease provides 5,650 square foot of office space. Lessor shall make all tenant alterations at no additional cost to the state. No cancellation for the first five (5) years except for cause and/ or lack of funding and 180 days thereafter.

SSC Report: 12-14-09. Bob King summarized the transaction. Staff referred to Subcommittee for consent agenda.

DEPARTMENT OF REVENUELEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: **DuPage County – 800 Roosevelt Road, Glen Ellyn, IL – Trans. No. 09-04-919 (Lotspiech)**

Purpose: To provide office space

Term: January 1, 2010 thru December 31, 2019 (10 yrs)

Proposed Amount: 2,462 Square Feet
 Annual Contract Rent incl. Utilities & Janitorial Cost: \$43,085.00 @\$17.50 / sf
 Total Annual Effective Cost: \$43,085.00 @\$17.50 / sf

Current Amount: 2,462 Square Feet
 Annual Contract Rent incl. Utility and Janitorial Cost: \$45,620.88 @\$18.43 / sf
 Total Annual Effective Cost: \$45,620.88 @\$18.43 / sf

Type: New Lease – Advertised – Received only one proposal from the current lessor.

Lessor: Stahelin Enterprises, LP, current lessor

Comment: The proposed lease provides 2,462 square foot of office space. Lessor shall make all tenant alterations at no additional cost to the state. No cancellation for the first five (5) years except for cause and/ or lack of funding and 180 days thereafter.

SSC Report: 12-14-09. Bob King summarized the transaction. Staff referred to Subcommittee for consent agenda.

DEPARTMENT OF REVENUELEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: **Davidson County – 1321 Murfreesboro Road, Suite 820, Nashville, TN – Trans. No. 09-06-943 (Lotspiech)**

Purpose: To provide office space

Term: January 1, 2010 thru December 31, 2019 (10 yrs)

Proposed Amount: 15,625 Square Feet
 Annual Contract Rent Incl. Utilities & Janitorial Cost: \$185,380.00 @\$11.86 / sf
 Total Annual Effective Cost: \$185,380.00 @\$11.86 / sf

Current Amount: 15,625 Square Feet
 Annual Contract Rent Incl. Utilities & Janitorial Cost: \$190,656.00 @\$12.20 / sf
 Total Annual Effective Cost: \$190,656.00 @\$12.20 / sf

Type: New lease – Advertised – received five (5) proposals / two (2) are non-conforming from five (5) proposers

FRF Rate: \$18.00

Lessor: Airport Plaza, LLC, current lessor

Comment: The proposed lease provides 15,625 square foot of office space. Lessor shall make all tenant alterations at no additional cost to the state. No cancellation for the first five (5) years except for cause and/ or lack of funding and 180 days thereafter.

SSC Report: 12-14-09. Bob King summarized the transaction. Staff referred to Subcommittee for consent agenda.

DEPARTMENT OF AGRICULTURELAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by LEASE of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112.

Description:	<u>Rutherford County – 198' x 80' tract on Tiger Hill Firetower site, Murfreesboro, TN – Trans No. 09-11-026 (Baugh)</u>
Purpose:	Disposal by lease for Rutherford County to dismantle the fire tower and hut and replace with new communication tower and associated building.
Term:	Ten (10) years with an option to renew another ten (10) years
Consideration:	Mutual benefits
Lessee:	Rutherford County
SSC Report:	12-14-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

DEPARTMENT OF AGRICULTURELAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112:

Description:	<u>Coffee County – 1 +/- acre – (207' x 207' lot), Summitville, TN – Trans. No. 09-11-028 (McLeod)</u>
Purpose:	Disposal in fee to allow reversion by abandonment
Original Cost to State:	\$1.00
Date of Original Conveyance:	1953
Grantor Unto State:	J. D. Sain
Estimated Sale Price:	N/A
SSC Report:	12-14-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

DEPARTMENT OF CORRECTIONSLAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT of interest in real property with WAIVER of ADVERTISEMENT and ONE (1) APPRAISAL as required by TCA 4-15-102 and 12-2-112.

Description: **Shelby County – 0.255 +/- acres – Mark Luttrell Correctional Center, Sycamore View Road, Memphis, TN – Trans. No. 09-10-004 (Baugh)**

Purpose: Disposal by easement for water line.

Estimated Sale Price: Public use

Grantee: Memphis Light, Power and Water Division

SSC Report: 12-14-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

DEPARTMENT OF ENVIRONMENT & CONSERVATIONLAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by LEASE of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112.

Description: **Cumberland County – 6.0 +/- acres – Black Mountain, Owl Roost Road, Crossville, TN – Trans. No. 09-10-008 (McLeod)**

Purpose: Disposal by lease to renew existing lease for another ten (10) years or enter new lease for ten (10) years.

Term: Ten (10) years – April 19, 2010 thru April 18, 2020

Consideration: \$200 per month and use of tower for state equipment

Lessee: Eloqui wireless (formerly US Cellular)

SSC Report: 12-14-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

DEPARTMENT OF ENVIRONMENT & CONSERVATIONLAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT and WAIVER OF APPRAISALS required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Cheatham County – 5 +/- acres – Narrows Harpeth Road, Kingston Springs, TN – Trans No. 09-11-030 (Baugh)**

Purpose: Acquisition in fee to provide access to the river and parking.

Source of Funding: Gift

Estimated Cost: \$5,000 administrative costs

Owner(s): Elizabeth May Stern Trust

SSC Report: 12-14-09. Jorgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

TENNESSEE WILDLIFE RESOURCES AGENCYLAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Sullivan County – 4.4 +/- acres – Bristol City, TN – Trans. No. 09-11-023 (Jackson)</u>
Purpose:	Acquisition in fee of an in-holding adjoining State property by the Conservation Fund at a bargain price; the Conservation fund will later sell property to TWRA at 25% below market value. The Cornett family has agreed to this arrangement.
Source of Funding:	TWRA
Estimated Cost:	\$145,000
Owner(s):	The Cornett Family
SSC Report:	12-14-09. Jurgen Bailey summarized the transaction. This transaction will be brought back for approval when the State requires the property from the Conservation Fund. Staff referred to Subcommittee for consent agenda.

TENNESSEE WILDLIFE RESOURCES AGENCYLAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112.

Description:	<u>Scott County – 9.77 +/- acres – Big Fork Mountain, TN – Trans. No. 09-11-033 (Jackson)</u>
Purpose:	Disposal by easement to provide easement, gas well, related pipelines and access as needed on Sundquist WMA
Estimated Sale Price:	\$500 administrative cost per well site
Grantee:	Knox Energy
Comment:	Well site AH-1030
SSC Report:	12-14-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

TENNESSEE WILDLIFE RESOURCES AGENCYLAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112.

Description:	<u>Anderson County – 9.77 +/- acres – Big Fork Mountain, TN – Trans. No. 09-11-034 (Jackson)</u>
Purpose:	Disposal by easement to provide easement, gas well, related pipelines and access as needed on Sundquist WMA
Estimated Sale Price:	\$500 administrative cost per well site
Grantee:	Knox Energy
Comment:	Well site AH-1026
SSC Report:	12-14-09. Jorgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

TENNESSEE WILDLIFE RESOURCES AGENCYLAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112.

Description:	<u>Anderson County – 12.19 +/- acres – Big Fork Mountain, TN – Trans. No. 09-11-035 (Jackson)</u>
Purpose:	Disposal by easement to provide easement, gas well, related pipelines and access as needed on Sundquist WMA
Estimated Sale Price:	\$500 administrative cost per well site
Grantee:	Knox Energy
Comment:	Well site AH-1024
SSC Report:	12-14-09. Jorgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

TENNESSEE WILDLIFE RESOURCES AGENCYLAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112.

Description:	<u>Anderson County – 2 +/- acres – Big Fork Mountain, TN – Trans. No. 09-11-036 (Jackson)</u>
Purpose:	Disposal by easement to provide easement, gas well, related pipelines and access as needed on Sunquist WMA
Estimated Sale Price:	\$500 administrative cost per well site
Grantee:	Knox Energy
Comment:	Well site AH-1010
SSC Report:	12-14-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

UNIVERSITY OF TENNESSEEUNIVERSITY OF TENNESSEE AT CHATTANOOGA, TENNESSEE

- 1) Review of a request for APPROVAL of a PROJECT to **Demolish Former Bryan Funeral Home** located at the University of Tennessee at Chattanooga, Tennessee, contingent upon review by the Tennessee Historical Commission.

Estimated Project Cost:	\$200,000.00
<u>Source of Funding:</u>	Auxiliary Funds
<i>SBC Project No.</i>	<i>540/005-06-2009</i>

The property was acquired by the University to provide surface parking for the intermediate future and as a site for a future University facility. There is no institutional need for this structure.